Summary

In Italy, the existence of a “Southern Question” emerged after the Unification of the Italian Kingdom (1861). The term evokes the problem of the underdevelopment of this area. In 1992 the government terminated its “extraordinary intervention” program to develop the South (dated 1950). This paper explores the role of expert knowledge in rethinking and proposing new approaches to address the problem of Southern Italy development. It will be argued that the relationship between politics and experts (historically clustered around reviews, academic research groups and research centres) reinterprets and negotiates the various definitions and solutions of the problem. The paper uses the evidence from archival work on documents and records of the Parliamentary Committee for Supervision of the Ordinary and Special State Intervention in the Mezzogiorno, in order to analyse how expert knowledge could exercise its influence in a period of national political crisis. It will be suggested that the interaction between experts and the government/governments may also have some unintentional performative and diffusive effects.
Introduction

This work aims to explore the role of expert knowledge in rethinking and proposing new approaches to address the problem of the development of Southern Italy. The paper is organised as follows: the first paragraph briefly presents the foregoing historical background. The first part concerns the emergence of the “Southern Question” after the Unification of the Italian Kingdom (1861); it is linked to the interpretations given by the “old Meridionalisti”\(^1\). The following one is related to the reformulation of the southern problem within the wider framework of Keynesian policies after the Second World War; it led to the enactment of the “Extraordinary Intervention for the Southern Development” (1950). Finally, the paper analyses the way in which the problem of the development of Southern Italy was reformulated within the analytic frame of the Italian scientific community involved in the study of local development in the nineties. The research will identify some socio-political actors influencing the elaboration of this new narratives. The research will try to contextualise the influence exerted from these analyses on the shift from the traditional state-centric Extraordinary Intervention for the Southern Development to the New Regional Planning.

I. Historical background

1. Genesis of the Southern “Question” (1861) and the “old” Meridionalismo

In Italy, the existence of a “Southern Question” emerged after the Unification of the Italian Kingdom (1861). The term evokes the image of the Mezzogiorno’s backwardness. This powerful image represents the differences of the provinces south of Rome from the rest of the peninsula. It is related to the historic poverty and economic underdevelopment of the southern half of the Italian State and to its engagement in a “clientelistic” style of politics and in various manifestations of organised crime. Italians have reified their internal difference in relations to a tenacious catalogue of stereotypes. It includes as well the notion that the southerners possess some character traits that are the opposite to the traits of northerners. They are said to be passionate, undisciplined, rebellious, incapable of generating group solidarity, unable to build the rational, orderly, civic, cultures, that in the North underwrote the emergence of industrial capitalist society (Schneider, 1998).

In the northern hemisphere, travellers voyaging from North to South in earlier centuries typically commented on differences of climate and theories relating climate and topography to the “character” of the people they encountered. Nelson Moe has written extensively on the historical

\(^1\) This term is usually used to refer to Italian intellectuals who were politically engaged in studying the southern problem in the late half of the nineteenth century.
and literary background of the “Southern Question”, assembling a series of revealing traveller's experiences expressed in literature (Moe 1994, 2002). The discourse about the South emerged simultaneously in many other fields, namely public policy, statistics and criminology. Taken together, the different fields suggest a rhythm of genesis: only after the Unification of Italy did an Image of the South as internally homogeneous and qualitatively “other” become consolidated (Petruzelewicz, 1998).

As Moe pointed out, the ““Southern Question”” was actually born between the 1874 and 1884. During this time, in the socio-political field, the "issue" was consolidated with the investigations of Pasquale Villari and Leopoldo Franchetti. In 1875, Pasquale Villari, an exile coming from Naples who had been living in Tuscany until his death, wrote his book titled Lettere meridionali. Villari increasingly assigned southern Italy a special function in what Moe suggests was a “moral geography” of Italy, condensing all the social ills of the nation into this single region: from crime and dereliction, to banditry and bad government, to oppressive landlords, peasant and urban squalor and an absent middle class.

At about the same time, another important author of studies and comprehensive treaties that described southern problems for a northern audience was Leopoldo Franchetti, a Tuscan Senator investigating Sicily. Firstly, he published Condizioni economiche e amministrative delle province napoletane, followed by La Sicilia nel 1876 (Franchetti, 1877), written with Sidney Sonnino. According to these authors, southern peasants were like the “savages” of America, manifesting little human desire to improve. Because of that, northerners would have to impose their modern practices and values on this still medieval “little sister” otherwise the entire Italy would not qualify for having its role in European civilization (Moe 1992, 1994, 1998, 2002). This investigation helped to raise the issue at the centre of the national agenda. In Florence in 1878, Franchetti and Sonnino founded the review «Rassegna settimanale di Scienze, Lettere ed Arti» published from 1878 to 1882.

Another politician of that time, Pasquale Turiello (1889), for the first time used the definition “clientelism” in order to describe the socio-political relation between citizens and rulers in Southern Italy. In the following decades these intellectuals will become known as “Meridionalisti”. Their analysis will become the starting point for all the subsequent studies and policies concerning this issue.

After the unifications of Italy, the contrast became not only “essentialised” (Said, 1978), but racialised as well. The ideas of the English social Darwinist Herbert Spencer inspired a group of northern Italian thinkers founding the science of criminology in the 1880s and 1890s. One of the
most important among them was Cesare Lombroso (Lombroso 1892, 1896, 1898). Holding a supreme confidence in their positivist paradigm, these thinkers sought to prove that southern men were predisposed to crime (Gibson, 1998). Also some modern Sicilian writers like Giovanni Verga, Leonardo Sciascia and Tomasi di Lampedusa, all important figures in Italian literature, were deeply ambivalent about the possibility that their homeland could ever “improve” (Rosengarten, 1998). By nature anarchic, undisciplined, and “unsuited to long-term political preparation”, southerners were considered totally incapable of changing their way of being. This forceful rhetoric become an everyday symbolic geography for northerns and southerners alike (Gribaudi, 1996).

2. The institution of the Extraordinary Intervention for the development of Southern Italy (1950) and the “new” Meridionalismo

A substantial reformulation of the general framework of the southern problem intervened with the founding of the Association for the Development of Industry in the South (Svimez), established on December 2nd, 1946. This association was born thanks to the proposal of some outstanding personalities of the technical intelligentsia working in the IRI² since the thirties. Rodolfo Morandi, Pasquale Saraceno, Alberto Beneduce, Donato Menichella, Giuseppe Cenzato, Francesco Giordani, they were all in favor of the identification of a specific way to go for the industrialisation of the South. Their work will give rise to what has been called “new” Meridionalismo (Petraccone, 2005). All the major Italian public and private economic powers joined the SVIMEZ. Among the initial members there were the Bank of Italy, all the other major Italian banks and some very important public and private companies such as Fiat, Montecatini and Pirelli. The Svimez exerted an important influence in determining the way in which to conceive, formulate and implement policies for Southern Italy development.

At the methodological level, the Svimez detached itself from the traditional historical-political setting of the “Southern Question”. A quantitative analysis was held based on economic and statistical models. The aim was to collect data needed to define the methods, timing and magnitude of the investment required. For these scholars, the central idea was to study the problems of the South lied in the concept of “depressed area” (Barucci, 1978). This definition, previously established in the Anglo-Saxon world in the thirties, was adapted to the Italian case by the

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² IRI is the acronym for “Istituto per la Ricostruzione Industriale” (trad. "Institute for Industrial Reconstruction") It was an Italian public holding company established in 1933 by the Fascist regime to rescue, restructure and finance banks and private companies that went bankrupt during the Great Depression. After the Second World War, IRI played a pivotal role in the Italian economics. It was dissolved in 2000.
introduction of the concept of “permanent depression”. Following this pattern, Svimez spotted out some specific indicators of economic depression and embraced the Keynesian theories about the usefulness of public works. So, following the model of the Tennessee Valley Authority, Svimez matured the project of making a special and extraordinary effort to support the development of Southern Italy also in order to access the loans made available from the newly formed “International Bank of Reconstruction and Development” (Birs). The plan for investments was prepared with the collaboration of the economic advisor of the Birs, Paul Rosenstein Rodan.

At that time, the work of the political scientist Edward C. Banfield (Banfield, 1958) also helped convince policy circles in Cold War of the urgency to develop and thus transform the Italian South. Banfield proposed a direct, causal connection between economic development (as measured by industrial capacity, worker's productivity, and standard of living), and people's propensity to join voluntary associations and engage in collective projects for the common good. The southern Italian society was backward, he argued, because instead of a civic culture that would promote this sort of collaboration, it had a familistic culture favourable to competitive separation. Southern Italians acted to further the short term interests of their respective nuclear families and assumed that their fellow citizens were doing the same. Banfield labelled them “amoral familists” and he held this ethos responsible for the clientelistic conduct of politics as well (Piattoni, 1998).

After an intense national and international mediation and thanks to the funds made available by the Birs and to policy design enacted by Svimez's experts, the act n. 646/1950 introduced the “Cassa per le opere straordinarie di pubblico interesse nell'Italia meridionale” briefly called “Cassa per il Mezzogiorno” (trad. “Southern Development Fund”). It was a State-owned development planning agency. The act provided for specific reserves and human resources (experts and technicians), which allowed the State to intervene through the “Cassa” with additional policies and additional funds complementary to the ordinary policies. It mainly aimed to realise infrastructural facilities. The creation of the “Cassa” represents a turning point for the traditional Italian system of public intervention. It founded a new policy framework for the development of the South (Cafiero, 1996). The complex set of policies through which the Italian government sought to intervene organically in order to redress the dualism present in the national economy will took the name of “Extraordinary Intervention for the Southern Development” (1950). Drew on the inspiration from Roosevelt’s “New Deal” in the USA, infrastructure policies were placed high on the agenda during the so-called “pre-industrialisation phase”. It focused on public works in agriculture (land reclamation, irrigation systems, etc.) and the transportation sector (construction of
motorways, railways, etc.). The Extraordinary Intervention has been the main tool for the development of Southern Italy, above all during the years of the “economic miracle”. In subsequent decades, however, Extraordinary Intervention started grappling with the production sectors themselves, such as the industry most notably, even though the early “infrastructural stage” of the programme was the most successful and effective in terms of support to economic development pathways (D’Antone 1992, Rossi 2002).

II. A new episteme for the Mezzogiorno: rethinking the development policies for Southern Italy in the early nineties.

1. The end of the Extraordinary Intervention

With the end of the convertibility of the dollar into gold, announced by U.S. President Richard Nixon in 1971, the Lira - the Italian national currency of that time - went into a tunnel of constant depreciation. In 1973 the price of oil increased because of the Arab-Israeli war and after that inflation rose in all industrialised countries. Over the course of the eighties, in England and in the United States, the governments of Margaret Thatcher and Ronald Reagan put an end to the regulatory role of the State in the economy. They promoted the worldwide spread of a political platform emphasizing free market, restriction on government spending, deregulation, privatisation of key national industries, flexible labour market and devolution of government decision making to local authorities. Like the Keynesian “paradigm” had encouraged the regulatory role of the state in the economy in order to reconcile growth, consumption growth and extension of rights, the end of Fordism and the transition to neoliberalism renegotiated the terms of democratic compromise. Inequality changed its theoretical status and the commitment of the State in reducing inequality began to look like a perverted practice (Mastropaolo, 2012).

In the same years, at the national level, Italy begun a policy of administrative decentralization. The introduction of the “Regions”\(^3\) triggered a process of fragmentation and multiplication of decision-making structures that contribute to the disintegration of the political centralised equilibrium which the parties had faced before (Lupo, 1994). In this framework, the political class had clearly taken precedence over technical and administrative management of the “Cassa”.

\(^3\) The Regions of Italy are the first-level administrative divisions of the state. Regions are autonomous entities with powers defined in the Constitution. There are twenty regions, of which five are constitutionally given a broader amount of autonomy granted by special statutes. [http://en.wikipedia.org/wiki/Regions_of_Italy](http://en.wikipedia.org/wiki/Regions_of_Italy) (21/07/2014).
In 1976, the Italian parliament instituted a Parliamentary Committee for Supervision of the Ordinary and Special State Intervention in the Mezzogiorno. The Committee was composed of fifteen deputies and fifteen senators. The Committee was unable to stop the political interferences that led the “Cassa” to move away from its initial model, becoming a costly and inefficient tool. The failure to bridge the gap between North and South was attributed to the degeneration of patronage and to the inadequacy of the Extraordinary Intervention as a viable strategy for the development of depressed areas. In the public eye these facts had come to overshadow the undeniable progress made in the South. The historical analytical categories of the “Southern Question” went through a critical review. Leaders and public opinion started to developed an attitude of intolerance and rejection towards the Extraordinary Intervention and the “Southern Question”.

In the meanwhile, in 1984, in the wake of this widespread discontent, Umberto Bossi founded the Lega Lombarda (Lombard League). It was a regionalist movement rooted in Lombardy and Veneto which contentiously supported the narrative opposing the image of a laborious North to the passive and opportunistic welfare dependency of the South. In a few years, the Lega Lombarda became Lega Nord (Northern League), and challenged national unity through a surprising show of electoral strength in the 1994 and 1996 elections. Through the theatrical leader Umberto Bossi, the Lega attacked the national government for overtaxing the productive economy of northern Italy and the over-spending on welfaristic infusion of capital and social services in the South. Given the inherently corrupt practices of southerners, it was argued that such investments have not transformed but only reproduced a backward system (Schneider, 1998).

In the last period of the policy for the South, “mani pulite” and the “Tangentopoli” scandal fell on a party system already weakened by the disappearance of the traditional political equilibria at the national and international level. This led to the disappearance of the most traditional political parties and the reform of the electorate system. It was the starting point of the process that will culminate in the emergence of the so informally called Italian “Second Republic” (1992-1994). The long period of dissolution of the Extraordinary Intervention, intended as a large-scale project development and transformation of the Italian society, as it had been thought in the fifties and sixties, had reached its negative peak. In 1992 the Agenzia per il Mezzogiorno—which had replaced the Cassa per il Mezzogiorno in 1984—was dismantled and the government terminated its

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4 Mani Pulite was a nationwide Italian judicial investigation into political corruption held in the 1990s. Mani pulite led to the demise of the so-called First Republic, resulting in the disappearance of many parties. [http://en.wikipedia.org/wiki/Mani_pulite](http://en.wikipedia.org/wiki/Mani_pulite) (21/07/2014).

5 The existing almost perfect proportional system was abrogated by a referendum (18th April 1993). It was replaced by a mixed uni-nominal/multi-seat circumscriptions system. Also the municipal electoral law had changed in favour of a majoritarian system (25th March 1993).
Extraordinary Intervention program to develop the South (Clark, 1984; Ginsborg, 1990; Levy, 1996).

2. The contribution of social sciences

In the context of global capitalism, which emphasises “flexible accumulation” and the unfettered mobility of capital, both large-scale investors, and growing number of social economists and political scientist have focused their attention on local economies. Since the early seventies, the socio-economic literature had begun to study a model of capitalism rooted in the territories and alternative to the Fordist organization of production (Priore and Sabel, 1984). The peculiarities of the SME-based Italian districts were highlighted by the work concerning the “Third Italy” of Arnaldo Bagnasco (Bagnasco, 1977). Giacomo Becattini had introduced the reference to “Marshallian external economies” (Becattini, 1979). This framework, evoking the concept of embeddedness created by Polanyi (Polanyi, 1944), represents development as a "collective enterprise" (Bagnasco, 1988) highlighting the importance of its "non-economic conditions" (Trigilia, 1988). Soon after, the debate launched by scholars studying the Italian development model grounded on SME-based industrial district was enriched by the contribution of the Territorialistic School among those Alberto Magnaghi is the most prominent figure (Magnaghi 1990, 2001, 2005).

A contribution to the elaboration and debate on local development came from the organization of the “Incontri di Artimino” (trad. Meetings of Artimino). The first edition was held in 1991 and it immediately saw the participation and the contribution of many important academics. Over the years, the participation in meetings by a great number of speakers confirmed the involvement of numerous social scientists and the attempt to foster processes of exchange and learning through the dialogue with representatives of the political and administrative system. The Artimino Meetings are related to the birth of “Local Development”, a review aimed at gathering the experience gained therein the meetings. It was founded by Giacomo Becattini and Fabio Sforzi in Florence in 1992 and published by Rosenberg & Sellier since 1994.

In the eighties and nineties, following other paths of research, also a major part of southern culture had undergone a radical revision of the analysis and historical judgement concerning Mezzogiorno in the eight-twentieth century. The research of several historians of those years argued that the established interpretations of the economic “failure” of Mezzogiorno was over-simplistic (Davis, 1998).
These studies well represent the theoretical effort to emancipate the “Southern Question” from a unilaterally "economistic" or “dualistic” perspective. They found that the idea of a unique South, economically and socially homogeneous and uniform, was unfit to represent and interpret a set of sub-regional and regional situations that are extremely diversified. These differences, peculiarities and discontinuities have been underlined by a part of recent historiography (Donzelli, 1990; Lupo, 1990; Bevilacqua, 1993; Pezzino, 1995) gathered in the “Institute of Southern history and the social sciences” (Imes) founded in 1986, and around the experience of the review "Meridiana", published since 1987. This research framework expressed a new set of proposals for research on the study of the South. The group gathered around Meridiana included a few historians but it was also characterised by the significant presence of economists, anthropologists, and sociologists. It expressed the attempt to build a framework for research that did not consider "the problems of the development of the southern regions in terms of dualistic opposition between North and South". This research setting is reflected in the proposal to study the idea of the South (and the image that represents this set of complex and highly differentiated regions, situations and problems as a homogeneous and compact “block”) as the "product of a job cultural intense, organised and continuous" (Meridiana, 1987).

In 1994, came out Sviluppo senza autonomia (trad. Development without economic autonomy) of the Italian sociologist Carlo Trigilia (Trigilia, 1992). This book has had a considerable influence in the debate on development policies of the South. According to Trigilia, the Southern political class uses resources from public intervention to gain consensus by meeting particularistic demands. Paradoxically, public intervention for the South development ended up by creating some socio-economical perverse effects. Facing with an electoral season that seemed to renew in-depth local governments, Trigilia called for accountability of the ruling classes of the South and a renewed vitality of associations.

In 1993, forty years after Banfield, another political scientist, Robert D. Putnam, produced a second key text in the English language for interpreting Southern Italian “backwardness”. The title of the work was Making Democracy Work: Civic Traditions in Modern Italy. It was based on a twenty-year study of the differences in performances of six regional governments distributed along the peninsula. Putnam's book is considerably more systematic and comprehensive than Banfield's. Yet it too constructs an opposition between North and South. Finding that the northern regional governments out-perform the southern ones in their ability to enact and implement policies, Putnam locates their effectiveness in a “civic tradition” of communally oriented city-states that stretched
“from Rome to the Alps” and can be dated to the Middle Ages, in drastic contrast, the south suffered from medieval times under royal governments at one feudal, bureaucratic, and absolutist (Putnam, 1993). He uses the terms “horizontal collaboration” and “vertical hierarchy” for the ornamental institution of the North and the South respectively (Putnam, 1993). This polarised structures became essential to producing two different paths of governance. In the North people were citizens, in the south they were subjects. In the wake of the debate raised by the publication of Putnam’s famous book on civic tradition in the Italian regions, the detection of non-economic reasons for the difficulties of the southern regions came to be the subject of new investigations in recent years.

Among them, the approach of "neo-regionalism" developed a perspective that called for a "new economic policy, no longer centred on the state regulation, but on the experiences of decentralised conditioning of economic actors" (Perulli, 1998). In this metaphoric vision of "archipelago economy" (Perulli, 1998), the region is the optimal size within which the economic and social actors can coordinate and interact to build their own development projects, despite its paradoxical condition of being a whole point of economic regulation and representation of interests (Trigilia, 1989).

2.a First evidence from the archival work on documents and records of the Commessione Parlamentare per il Mezzogiorno

In the last years of the Extraordinary Intervention policy (1990-1992), the documents of the Parliamentary Committee for Supervision over the Ordinary and Special State Intervention in the Mezzogiorno -which was abolished together with the Extraordinary Intervention in 1992- testify the influence of the ideas developed within the social sciences in rethinking the problem of development in the South. At the sitting of 24 January 1990, the report presented by Dr. Enrico Calamita, Director of the above mentioned Agenzia per lo sviluppo del Mezzogiorno, made a reference to the importance of "external economies" as indispensable for industrial development. During the same meeting, the senator Tagliamonte pointed out that in the South there were "several economic subsets with uneven development" and asked whether modulation of the incentives had "found the way best suited to meet these requirements". In answer to the question of Senator Tagliamonte, Dr. Calamita remembered how the reshaping of the incentives had become necessary as a result of the enlargement of the EEC. With regard to the proposed modification of the interest rate on subsidised credit operations in favour of small businesses, the official rapporteur of the Commission, the deputy Giacovazzo, made explicit reference to the literature on depressed areas.
and to the differences in development among Southern Regions (Parliamentary Committee, 1990a). The deputy Soddu returned briefly to social sciences in a discussion about the role of civil society and the institutions of Southern Regions (Parliamentary Committee, 1990b). Mr. Soddu would speak again about the relationship between civil society and institutions in order to emphasise the importance of betting on the ability of self-government of local authorities (Parliamentary Committee, 1990c). A direct reference to the analysis of the scholars of SVIMEZ was present in the speeches of the deputy D'Aimmo concerning social security contributions and tax relief for enterprises settled in the South (Parliamentary Committee, 1991a). The reference to "the economic environment and civil society surrounding the productive apparatus and providing it functionality and profitability" was reported by the Minister for the South Mr. Marongiu (Parliamentary Committee, 1991b). These argumentative recurrences show how -even before the final abolition of the Extraordinary Intervention- expert knowledge influenced the reinterpretation of some aspects of the problem in the governmental sphere.

3. The influence of the European reforms

Another important key factor was the European Union which in the very process of moving toward a single currency and more integrated political economy, touched off a gradual strengthening of the Community institutions in many spheres of the economic policy, including policies for regional development. When the Extraordinary Intervention had already entered into a stalemate (along with the political system that had governed it for years), the legislative scenario changed radically as a result of European integration. The breakthrough took place with the Single European Act (SEA) of 1986, which stated the principle of economic and social cohesion (Fauri, 2006). It was followed by the reform of the Structural Funds in 1988, which planned to launch the first programming period 1989-1993. Among the five priority objectives agreed in 1988, two of them concerned Italy: objective 1) promoting the development and structural adjustment of regions whose development is lagging behind, and objective 2) converting regions seriously affected by industrial decline (Felice, 2007). The objectives channelled about two-thirds of the Structural Funds, and were directed to regions where per capita income was less than seventy-five per cent of the EU average. Initially, the whole Italian Mezzogiorno was in this condition⁶. The Council Regulation EEC No 2052/88 of 24 June 1988 established the Community Support Framework

⁶ In 1996, the region of Abruzzo come out of this condition, followed by the Molise for which a period of support had been predicted until 2006.
(CSF) for Objective 1 Regions. The CSF should be signed by the European Commission together with the Member State and the local governments. Then it had to be translated into detailed operational multi-year plans. With these measures the change from the previous European aid was clear. Previously, funds were distributed per quota to individual countries, which undertook the amounts of expenditure in accordance with their own identified needs; with the CSF, however, the role of regional policy, from one side, moved to the top, in favour of supranational entities such as the European Commission, and from the other side, it moved in the direction of sub-national entities, such as the Italian Regions (Viesti and Prota, 2004; Leonardi, 2005).

In 1992, the Maastricht Treaty was signed. To the member States, it brought the need to comply with the new financial budget and it involved drastic change resulting in the public finances, privatization, downsizing and abolition of public bodies of the and state intervention in the economy. That year, the Commissioner of the European Communities responsible for the protection of competition had opened an infringement procedure against Italy, judging Extraordinary Intervention, in contrast to the free competition in Europe. Furthermore, in December, the “Delors II Package” allowed the expansion of the Structural Funds, for the second programming cycle (1994 - '99): The document put small and medium-sized enterprises at the core of the intervention (Infopregio, 2008). In December 1993, the commission's white paper proposed a new approach to EU policy for growth, competitiveness, employment, identifying SMEs as the cornerstone to facilitate the absorption of unemployment (European Communities, 1993).

4. The Italian “New Regional Policy” Planning

The Italian act no. 488 and decree no. 96 of 1993 launched a new regional policy programming. The reform was characterised by precise references to the programs and procedures of the EU cohesion policy. It referred to the three following basic choices:

1) the new intervention is no longer confined exclusively to the South but to all the “depressed areas of the national territory”, these are the areas in which the EU applies its regional policy objectives, namely the regions of the South, such as the areas of "structural gap", and the areas affected by industrial decline and rural areas in difficulty in the Centre-North;

2) programming responsibilities, which are divided among different Ministries (Budget, Treasury, Industry, Public works, Research, Public services) and the task of coordinating and supervisory, was assigned to the Budget Ministry and to the Comitato Interministeriale per la Programmazione
3) the Budget Minister indicates the financing resources from year to year. He charges policy costs on the budgets of the different single ministries; because of that, in the end, it is extremely problematic to calculate the total assessments and the additional character of the resources allocated to the development interventions (Cafiero, 1996).

Act no. 488/92 provided for only one kind of financial support: capital grants for business investment. At the beginning, the reform was well received, both by scholars and industry associations. However, over the years the opinions have changed radically, and the amount of funding has gradually decreased.

In the meanwhile, under the administrative side an intense production of legislation was taking place in Italy (and in Europe). It redefined the framework for relations in the centre-periphery. In 1996, the centre-left government launched a new policy initiative called “Negotiated Planning” (Gualini, 2001), which aimed at sustaining processes of local economic development in the southern regions. This policy was based on 1) forms of collaborative planning and negotiated decision-making at the institutional level and 2) the revitalisation of local economies - particularly of embryonic industrial districts reproducing forms of local economic development associated with the so-called Third Italy model. Whthin negotiate planning, “Patti territoriali per lo sviluppo” (trad. Territorial Pacts for development) were an example of this regional development policy that lasted until the early 2000s.

They were complex and interwoven reforms that underwent a further devolution process already started in the seventies. This reform institutionalised the framework of “contractual agreements” between subjects of multi-level governance. Patti territoriali had been introduced on an experimental basis, between late 1993 and early 1994, on the initiative of the consultative National Council for Economic Affairs and Labour (CNEL) to support the new project launched by the Act 488/1992. After an opening ‘voluntary’ phase, promoted by CNEL, a ‘instituzionalised’ phase occurred, featuring the leading role of the Department of Development Policies and Cohesion (DPS) of the Italian Ministry of the Treasury. In 1995, in fact, Patti Territoriali were endorsed by the Ministry and included within the diverse tools of the “Programmazione Negoziata” (trad. Negotiate Programming) as defined by the Act no. 662/1996 and regulated by the CIPE resolution of 1997. Hence, the formalisation of the tools of “Programmazione Negoziata” in 1995 constituted a step in a complex procedure.
In 1998, the President of the Republic, Carlo Azeglio Ciampi, rekindled the Southern Italy development within the national goals. The policy was entrusted to the leadership of Fabrizio Barca (who will become minister for territorial cohesion of the Monti government in 2011) and to a group of technicians grouped into DPS. The working group of the department had a theoretical approach to the setting of European cohesion policy. In 1999, on the initiative of the Department, the development program of the South (Psm) saw the light. The adjustments in the regional policies implemented in that period have led analysts and institutional actors involved in this experience to label the intervention as “Nuova Programmazione Regionale” -NPR- (Trad. “New Regional Planning”) (Barca, 2006).

The Italian NPR that was developed in the 1990-2000 decade and the “Patti territoriali” were, in fact, part of a wider trend towards “social pacts” common to main advanced industrialised countries (Regini, 1999). The general trend observed is the one of governments that, whatever their political colour, encouraged the devolution towards lower levels and loosened the hold of central public bureaucracy on service provision in many fields. The central government attempted a reform above all by self-limiting and disengaging itself from certain policy areas, while the local government units looked to the “centre” as a necessary even though not always trustworthy ally. NPR developed in parallel with the institutional reform based on subsidiarity principle introduced in the same years by the act no. 59/1997 (Perulli, 2013).

In the context of public administration reform, decentralisation and simplification of administrative work, was further expanded the policy of devolution. In fact, the act no. 59/1997 (the so-called Bassanini Law), authorised the Government to devolve many functions and administrative tasks to Regions and local authorities. That decentralization included programming. The law developed a reform of the State, both central and local, inspired by a mix of Clinton and Blair reforms. Bassanini law, in application of the principles of decentralisation and subsidiarity, also provided for bureaucratic simplification and the co-partnership of local subjects and stakeholder associations in the running of public services. Indeed, the same legislation of the Italian Regions indicated the associated intermunicipal management of services and their entrustment to subjects outside the public administration according to forms of “horizontal subsidiarity”. This means that the public sector decentralised tasks to private bodies. At the same time, the “vertical coordination” among public institutions (central and local State) was unable to make the ongoing logic of subcontracting clear and transparent. The result was the hollowing out of many public functions without a clear strategic choice (public-private partnership, state control and market logic were
mixed in an unclear and opaque way) (Perulli, 2013). The reform initiated by the Bassanini Law had the objective to realise the maximum possible devolution allowed by the Italian Constitution (the so-called “federalism in unchanging Constitution”).

5. Between policies and science: a hybrid field

As it has been pointed out, the need for an organization of structures of experts who deal with issues related to the development had been felt since the establishment of SVIMEZ (1946). Between the late seventies and early nineties the focus provided by expert became a key to understanding processes of local development. The focus was freed from the issue of the Southern question and began to shift toward local dynamics linked to SME based local industrial district model. In this context, research institutes and government agencies, established with the purpose of promoting local development, multiplied. This shift was accompanied by a growing critique of the previous “centralised” policies which was held liable for not having played the territorial vocations of the different Regions.

Also the theoretical and organizational structures predisposed to implement concrete actions for the development became "localised". Good examples are the Meetings of Artimino and the Sviluppo Locale review mentioned above; they belong to the Iris, a research institute operating in the field of economic and social research. The institute was founded in the form of non-profit organisation by local authorities (Municipality of Prato and Province of Florence) and academic institutions ("Maison des Sciences de l'Homme" of Paris and the "Italian Council of Social Sciences" of Rome) in 1990. The shareholding structure of the Institute has included as contributing members three departments of the University of Florence: the Department of Sociology and Political Science, the Department of Economics and the Department of Urban Planning.

Studies concerning industrial districts, researches and consulting activities together with and for the public sector insisting on the territory became synergistic elements of an analytical model as a normative model for local development. The introduction of the NPR was actually possible in the context of a scientific collaboration across disciplines that during the nineties helped to frame the issue of local development. Within this process, the person who best embodied the entrepreneur policy (Kingdon, 1984) was Fabrizio Barca. His role was combined with the influence of an epistemic community addressing local development discourses. In fact, during the nineties the different disciplinary approaches involved the identification of possible policy initiatives were part of the broader debate on the transition from political top-down to bottom-up policy. The CNEL and
above all the DPS with Fabrizio Barca have been the places in which the contents developed in the
course of this debate entered the process of policy making. This process also involved the Bank of
Italy (where Barca had been head of the research division) that influenced the debate on local
development through conferences and publications. The production of knowledge on this issue was
a decisive factor. However, there was not a single univocal cognitive processing. As it has been
pointed out in the previous paragraphs, currently there is the coexistence of interpretations made at
different times by different actors (coming from politics, European institutions, experts and social
scientists historically clustered around reviews, academic research groups and research centres).
This influenced the production of public policies by the overlapping and combined interventions
year by year.

6. Unintentional diffusive effects and isomorphism

Studies on SME-based local development filtered in research concerning the development of
the South and on the spread of the industrial districts also in some southern regions (Viesti, 2000).
In the meantime, the increasing attention that EU policies dedicated to the development of SME
enterprises and to the promotion of local governance, created a favourable environment for the
adoption of laws aimed at promoting the development of these models. This is the case, for
example, for the industrial districts that have been legally recognised for the first time by the Italian
act no. 317 in 1991. After that, the act no. 140 of 1999 introduced less stringent criteria for the
identification of the SME based local districts and made available some special funding for them.
After that most of the Regions has legally endorsed districts present in their territories – also where
there was no one cluster similar to the model pointed out by social scholars- in order to be able to
receive special funding. This is a good example of how the research on Italian local development
studies had some unintentional diffusive effects, that lead to the institutionalization of productive
models with the emergence of some occurrences of isomorphism.

Another good example was the case of the territorial agreements for employment promoted
by the EU, under the European Confidence Pact for Employment (January 1996). This resulted in
the unusual situation of an Italian best practice -the Patti Territoriali mentioned in the previous
paragraph (4.2)- being adopted on a European scale and a broadening of the multi-level negotiation
framework. The high normative complexity can be seen by the fact that many types of pacts can be
distinguished: first generation pacts approved by community procedures, second generation pacts
(1998–1999), new pacts (2000-2001) in which the new procedures are fully operational, pacts
approved in 2001 in the Centre-North of the country for the areas hit by flooding, hydro-geological instability and earthquakes (Perulli, 2013).

Another example is the promotion of the role of the Regions as suggested by the “neo-regionalism” (2.2). In fact, the idea that the centre might entrust the direct management of the local experiments to the Regions proved quite problematic. If, on the one hand, this favoured policies aimed at changing centre-periphery relations, on the other hand it gave the regional governments and bureaucracies a powerful alibi to return to the traditional distributive logic. An emblematic case was that of the resolution of the CIPE to entrust a quota of the funds to the Regions in order to favour processes of strategic urban planning. The idea was to extend to the Mezzogiorno a European best practice already known in the central-northern Italian cities. The outcome was the uncontrolled proliferation in the Mezzogiorno of tens if not hundreds of urban strategic plans whose only function appears to have been the distribution or siphoning off of central public resources (Perulli, 2013).

These cases are some examples of the unintentional diffusive effects that lead to the institutionalization of models previously outlined by the scientific community, with the occurrences of isomorphism.

III. Conclusions

The paper attempted to describe the dynamics that marked the end of the intervention in the South, placing them within a perspective that takes into account the changes in the socio-political system since the mid-sixties. The key points of this changes were essentially represented by:

- the introduction of the Italian Regions (1970), which triggered a process of fragmentation of decision-making bodies, which contributed to the disintegration of the political balance the parties had faced until then;
- wider long term changes in the traditional mass parties, reflected in the specificity of the collapse characterizing the Italian political system in the early nineties;
- the broader social and cultural processes, which mark the exit from Fordism and the decline of Keynesian policies and the transition to neoliberalism.

In the fifties the political parties had a primary role in the promotion of the economic and social transformation project based on the Extraordinary Intervention. SVIMEZ and experts from
IRI, together with the political structures of the mass party had played a key role in supporting “new” Meridionalismo and promoting the founding of the Extraordinary Intervention. Until the seventies the two main Italian mass parties, the Democrazia Cristiana (trad. Christian Democracy Party) and the Partito Comunista Italiano (Italian Communist Party), had limited and checked each other.

By the eighties, the traditional national socio-political equilibrium fell into crisis. It began a process of redeployment of political influence over different sectors. The introduction of the Regions contributes to further complicate the situation by multiplying, fragmenting, duplicating the centres of power. In this framework, also the Extraordinary Intervention shifted toward the multiplication of several development agencies, as well as the expansion of competences of the “Cassa” and of its staff. This gave origin to the dissipation of the policy for development into particularistic interventions aimed to gain electoral political consensus. In the early nineties the process of decline accelerated rapidly and became unstoppable.

In the nineties such precarious system underwent a crisis. Reasons were manifold also here. The decline of the economic model that had supported the spread of mass parties, the dismissal of the welfare state, are just some of the changes of those years. In Italy the political system crumbled and so did what remained of the Extraordinary Intervention for the Southern Development.

After the unraveling of the Keynesian policy of Extraordinary Intervention, in the second half of the 1990s the South of Italy found itself in the middle of a difficult economic transition. The style of the Second Republic was built around a longing for renewal that left no room for an intervention whose credibility had failed long ago. This has led influential scholars to make pleas to “abolish the Mezzogiorno” (Viesti, 2003). In this contest, a more rigorous discourse on the South continued under a different guise. The different representations of the problem developed within the social sciences become decisive for the development of NPR thanks to the collaboration that took place between experts and government within the DPS. Finally, this interaction shows how expert knowledge has exercised its influence in a period of national political crisis, having also some unintentional performative and diffusive effects of the development models studied by social sciences. A neo-institutionalist and post-Fordist approach to the economic development of the Mezzogiorno, cross-breeding the transition to neoliberalism in Italy, has implied a simultaneously geographical and politico-economic shift of attention from different development models. The neoliberal paradox characterising Italy in the last two decades has therefore produced a reversed map of policy priorities and concerns compared with the Keynesian times of the post-war decades.
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